

# USDA Sees Higher Sugar Use, Lower Supply

## Stock-to-Use Ratio Adjusted to 13.5% in September WASDE

WASHINGTON — The US Department of Agriculture, in its Sept. 11 World Agricultural Supply and Demand Estimates report, raised its forecast of domestic sugar deliveries for both this year, which ends Sept. 30, and for 2020-21. Ending stocks for the current year were little changed, but for next year were lowered by 129,000 tons as the ending stocks-to-use ratio was adjusted to 13.5%.

Sugar deliveries in 2019-20 were forecast at 12,255,000 tons, raw value, up 100,000 tons from the August forecast based on a like increase in deliveries for food at 12,150,000 tons. Total use was forecast at 12,290,000 tons, also up 100,000 tons from last month but down 4,000 tons from 2018-19.

“Deliveries for human consumption for 2019-20 are increased as the pattern of deliveries to end users has stabilized,” the USDA said.

Sugar production for the current year was unchanged from August at 7,989,000 tons, including 4,244,000 tons of beet sugar and 3,745,000 tons of cane sugar.

Total imports for 2019-20 were forecast at 4,263,000 tons, up 101,000 tons from August, reflecting an 18,000-ton increase in tariff-rate quota imports, a 65,000-ton increase in other program imports and a 30,000-ton increase in high-tier imports only partially offset by a 13,000-ton decrease in imports from Mexico, now forecast at 1,382,000 tons.

Total sugar supply in 2019-20 was forecast at 14,035,000 tons, up 101,000 tons from August but down 42,000 tons from 2018-19.

Ending stocks for 2019-20 were forecast at 1,745,000 tons, up 1,000 tons from August, with the ending stocks-to-use ratio at 14.2%, down from 14.3% in August and from 14.5% in 2018-19.

For 2020-21, which begins Oct. 1, the USDA forecast domestic sugar production at 9,292,000 tons, up 27,000 tons from August, up 1,303,000 tons, or 16%, from last year and just shy of record production of 9,293,000 tons in 2017-18. Beet sugar US sugar production was forecast at 5,165,000 tons, down 34,000 tons from August, but cane sugar outturn was forecast at a record 4,127,000 tons, up 61,000 tons based on higher production in Texas. No mention of impact from Hurricane Laura was made in the WASDE report comments.

Total imports were forecast at 2,913,000 tons, down 131,000 tons from August, as sharply lower imports from Mexico, forecast at 888,000 tons, down 191,000 tons, more than offset a 59,000-ton increase in TRQ imports, forecast at 1,624,000 tons.

Total sugar supply in 2020-21 was forecast at 13,949,000 tons, down 104,000 tons from August and down 86,000 tons from 2019-20.

Total sugar use in 2020-21 was forecast at 12,290,000 tons, up 25,000 tons from August but unchanged from 2019-20. Deliveries for food were forecast at 12,150,000 tons, up 25,000 tons from August and flat with the higher forecast for the current year.

Ending stocks in 2020-21 were forecast at 1,659,000 tons, down 129,000 tons from August and down 86,000 tons from the current year.

The ending stocks-to-use ratio was adjusted to 13.5% as directed under the US-Mexico suspension agreement.

For Mexico, there were no changes made from August for 2019-20 or 2020-21 sugar production, forecast at 5,278,000 tonnes, actual weight, and 6,000,000 tonnes, respectively. Imports for 2019-20 were forecast at 105,000 tonnes, up 14,000 tonnes from August, exports at 1,222,000 tonnes, down 11,000 tonnes, domestic use at 4,518,000 tonnes, up 20,000 tonnes, and ending stocks at 812,000 tonnes, up 5,000 tonnes. For 2020-21, beginning stocks were raised by 5,000 tonnes, imports were unchanged at 89,000 tonnes, domestic use was unchanged at 4,468,000 tonnes, exports were raised 5,000 tonnes to 1,502,000 tonnes, and ending stocks were unchanged at 931,000 tonnes.